

REPRESENTATIVE MATTERS

International Arbitration/Remediation

Multinationals with assets abroad risk having high-dollar foreign assets expropriated under the pretext of environmental infractions and other disputes. These international disputes often present an additional layer of complexity relating to conflicts of law, sovereign immunity, the act-of-state doctrine, the forum *non conveniens* doctrine, international service and international discovery.

We advise clients on international environmental arbitration matters and are fortunate that we can quickly assemble a cross-disciplinary team that includes our arbitration and mediation lawyers from our other offices around the globe. Our arbitration group has handled matters in virtually every industry, on both institutional and *ad hoc* arbitrations.

Our environmental arbitration/mediation experience includes:

- Representing the claimant, a joint venture between two large U.S. oil companies, in an US \$11 billion ICC arbitration arising out of the Republic of Yemen's unilateral decision to terminate the joint venture's rights after 20 years of continuous operations under a production sharing agreement. As part of this representation, our lawyers teamed with technical experts to develop an auditing and sampling program that allowed for the assessment of environmental impacts to air, soil, groundwater and vegetation from

petroleum constituents and the identification of appropriate remediation standards and guidelines in the Middle East

International Legislative & Regulatory Development

We help foreign companies and multinationals abroad on solid and hazardous waste management/disposal issues, the emission of regulated air pollutants, the discharge of industrial wastewaters, and environmental cleanup and restoration projects.

Our international legislative and regulatory development experience includes:

- Providing strategic advice regarding the EU's recent efforts to implement a natural resource damages program pursuant to the European Environmental Liability Directive, intended to assure that appropriate natural resource restoration and management measures are implemented to address and compensate for the natural resources injuries caused by various types of industrial incidents
- Helping develop legislative and regulatory policies involving a wide range of other EU regulatory initiatives such as the Restriction on Hazardous Substances (RoHS) Directive, the Waste Electrical and Electronic Equipment (WEEE) Directive and the recent EU Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation

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- Providing compliance counseling for clients on key European Union environmental regulatory initiatives and international environmental treaties
- Working with the World Bank to provide comprehensive environmental counseling to the Republic of Cameroon regarding the Chad-Cameroon Pipeline Project that concerned all environmental aspects of the pipeline's construction and operation, including drafting a detailed set of proposed environmental regulations to govern all environmental quality matters relating to the development of oil and energy resources in Cameroon, preparing environmental impact statements, developing guidelines for construction activities, creating regulatory air and water emission and solid and hazardous waste management controls
- Representing clients regarding international environmental treaties and conventions, such as the Kyoto Protocol to the United Nations Framework Convention on Climate Change, the Convention on Long-Range Transboundary Air Pollution, the Convention on Biological Diversity and the Rotterdam Convention on Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
- Counseling a foreign chemical manufacturer regarding the EPA's evolving policies to address PFOS/PFOA

and other substances believed to be persistent, bioaccumulative, and toxic. As part of these efforts, we have been working with interested parties to develop national legislation in the United States that incorporates important aspects of the RoHS and WEEE Directives, and have been advising numerous companies regarding the potential chemical safety assessment, registration and authorization obligations associated with the REACH regulation.

Latin America and Caribbean Work

For more than 50 years, Baker Botts has helped U.S. and Latin American and Caribbean clients handle cross-border legal and business issues. We draw together lawyers with diverse skills to give our clients the best possible counsel regarding this continually changing region.

Our Latin American work involves two key coalitions:

- **Business and Environmental Laws in Latin America group (BELLA)** - BELLA provides companies a unique opportunity for tracking environmental laws and regulations in Latin America. The group also serves as an active participant in formulating and enacting environmental legislation, rulemaking and policy development
- **Red Interamericana de Especialistas en Legislación Ambiental (RIELA)** - RIELA is cost-effective network of law firms representing a number of jurisdictions throughout the Americas that

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serves as environmental resource and provides competent in-country law firms when specific legal representation is needed

Climate Change

Businesses with operations in Europe may already be subject to caps on carbon dioxide emissions and be trading allowances and offset credits under the European Union Emissions Trading Scheme ("EU ETS"). Operations in other developed countries that have ratified the Kyoto Protocol and accepted greenhouse gas (GHG) reduction targets may also be subject to controls on GHG emissions. To handle these challenges brought on by an increasingly global business environment, our Climate Practice Group offers a unique geographic scope in key economic and strategic industrialized zones, including lawyers in our Washington, D.C., Houston, Austin, London, Hong Kong, Beijing, Moscow and Middle East offices.

Our international climate change experience includes:

- Serving as legal counsel for the team that performed the feasibility study for a multinational bank's Prototype Carbon Fund, a \$180 million fund to invest in projects that generate carbon emission reductions
- Representing an international financial institution in a transaction involving the acquisition of 15 million tons of CO₂ in South America through the Clean Development Mechanism to be acquired for the benefit of a European country
- Representing a U.S. company in negotiating and drafting \$10 million option purchase agreement for voluntary CO₂ emission reduction credits
- Advising a European energy company on structure and risk mitigation of an EU allowance swap transaction under the EU ETS
- Advising an international carbon fund in negotiations for the exclusive right to develop CDM projects at palm oil mills in Malaysia and assisting with the development of project design documents under the CDM
- Representing a large multilateral finance corporation on structuring and drafting of a \$15 million CER purchase agreement
- Advising a large energy company in connection with the CDM approval process and documentation for the transfer and sale of potential CER credits from a project in Equatorial Guinea
- Representing a Wall Street investment banking firm on the creation of a new financial instrument based on the futures value of EU Allowances under the EU ETS

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